



DEFENSE INTELLIGENCE AGENCY
WASHINGTON, D.C. 20340-0001

31 MAY 1988

TO: Mr. Frank Yeager

SUBJECT: NAPA Workplan for the Study of Intelligence
Personnel Systems

Enclosed is the Defense Intelligence Agency's response
on Task I-IC Agency Uniqueness.

1 Enclosure a/s

Assistant Deputy Director
for Human Resources

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enclosures to index*

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0LEGISLATIVE HISTORY OF THE DEFENSE INTELLIGENCE AGENCY (DIA)

The DIA was established on 1 August 1961 under Department of Defense (DoD) Directive 5105.21 (Enclosure 1) "...to ensure the satisfaction of, the foreign intelligence requirements of the Secretary of Defense, the Joint Chiefs of Staff, ... to provide the military intelligence contribution to national intelligence.

Included in DoD Directive 5105.21 are Delegations of Authority most of which are still valid.

Concurrently, DIA requested from then U.S. Civil Service Commission (CSC) Schedule A appointing authority because DIA was assuming functions from other DoD components that hired under Schedule A. Also, DIA argued that the highly classified and sensitive nature of the work prevented the publicity of detailed duties and requirements necessary under competitive recruitment procedures. There was concern that release of complete information on job sheets, qualifications and related information might not be in the best interest of national security. The CSC accepted the argument and granted DIA Schedule A appointing authority (Enclosure 2).

Additionally, in 1964 the DIA requested and received exemption from Subparts C and D of 5 CFR 302 (Enclosure 3), which pertain to hiring procedures. DIA explained that the stringent security standards created unnecessary procedural requirements.

In 1979 by Executive Order (E.O.) 12171 (Enclosure 4), the DIA was excluded from the Federal Labor-Relations Program because of national security. This E.O. prohibited labor unions in the DIA. (Encl 4)

Starting in 1978, the DIA requested legislation that would provide comparable classification authority with that of the CIA and NSA.

In the first session of the 97th Congress, the Senate approved measures

that provided DIA with certain personnel management authorities and established a Senior Executive Service (Enclosure 5). However the House did not include any civilian personnel management provisions (Enclosure 6). The Conference Report for the Intelligence Authorization Act for Fiscal Year 1982 approved the establishment of the Defense Intelligence Senior Executive Service (DISES) only (Enclosure 7). Public Law 97-89 was passed 4 December 1981 (Enclosure 8). The Delegation of Authority was provided by the Deputy Secretary of Defense on 4 May 1982 (Enclosure 9).

DIA took two approaches to the problem. The first was to continue lobbying for the civilian personnel management authorities and the other was to make significant changes within existing authorities.

DIA continued to have the support of the Senate which recognized that DIA had to be flexible and innovative in personnel management to remain competitive and viable in the future. In 1982 the Senate tried again with the Defense Intelligence Agency Personnel Management Improvement Act of 1982 (S.2488), which was referred to the House. The House Armed Services Committee and House Post Office and Civil Service Committee punted and queried the Administration. In October 1982, OPM endorsed the bill with several changes including the use of the NSA rather than CIA as the model for the termination authority (Enclosure 10). The House adjourned without taking action on the bill.

Concurrently, DIA made significant changes in the civilian personnel system by developing an enhanced personnel management and professional development program for all personnel. This program, including input by managers, supervisors, and employees, was reflected in the complementary Career Ladder and performance appraisal systems.

DIA tried again to have the legislation passed and this time it was part

of the DoD legislation. The Office of the Secretary of Defense (OSD) forwarded it to the Office of Management and Budget (OMB) for review and inclusion in the President's legislative program in the First Session the 98th Congress. In June 1983, OMB returned the proposal with non-concurrence. The rationale was that DIA was not experiencing recruitment or retention problems. DoD suspended the proposal from their legislation (Enclosure 11).

In December 1983, the DCI included the bill in proposed legislation for the Second Session of the 98th Congress. The Senate, again acted on the bill and made some changes. It was introduced in the Senate as part of the Intelligence Authorization Act of 1985. The House did not have any corresponding legislation as it's members were concerned about the mining of harbors in Nicaragua. In September, copies of the bill and background information were sent to the House Permanent Select Committee on Intelligence with a request to support in conference. On October 11 1984, the two committees agreed on a combined bill (passed by unanimous consent) that eliminated a conference. The termination authority was modified without input or consultation with DIA. The bill was introduced in the House (Enclosure 12) and rationale was provided by the Senate (Enclosure 13). Public Law 98-618 was signed on 8 November 1984 (Enclosure 14). The Delegation of Authority to implement the law was signed 16 January 1986 (Enclosure 15).

In 1985, DIA under Public Law 99-145 received certain benefits for employees assigned overseas (see Enclosure 14). Under the Intelligence Authorization Act of 1987, Public Law 100-178, DIA received uniform allowances for civilian employees, an extension of the termination authority and exemption from information disclosure (Enclosure 16). The House and Senate agreed on the first two authorities, but the latter one was

proposed by the Senate and agreed to in the Conference Report (Enclosure 17).

Since its inception, the DIA under the umbrella of DoD has provided finished intelligence products for both the military and intelligence community. DIA, operating in the same environment as CIA and NSA, must be able to attract and retain highly qualified personnel. CIA and NSA have had flexible personnel systems for a long period of time. By comparison DIA is a neophyte, but it has been imaginative and aggressive in its civilian personnel systems to be competitive with its sister organizations.

DIA recognized that in the future it had to be more competitive and could only do so much under existing authorities. DIA did what it could and requested legislation. The Senate recognizing DIA's dilemma and efforts supported legislation to create a more dynamic and flexible personnel system designed to help DIA in the 1990s and beyond.